

EXECUTIVE CHAMBERS

HONOLULU

July 11, 2005

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 1889

Honorable Members  
Twenty-Third Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 1889, entitled "A Bill for an Act Relating to Apprenticeships."

The purpose of this bill is to amend sections 372-3 and 372-4, Hawaii Revised Statutes, to add two additional standards for apprenticeship agreements and to give authority to the apprenticeship council to promote and approve apprenticeship programs, while deleting its original duty to sit in an advisory capacity to the Director of Labor and Industrial Relations.

This bill is objectionable because one of the standards being added would apply where a sponsor seeks to establish an apprenticeship program in a trade that has a "parallel program." In that situation, there must be an "assurance of compliance with the 'equal to or better than' requirement." Current law does not define "parallel program" or provide for an "equal to or better than" requirement, thus making this new standard vague. More importantly, the United States Department of Labor has advised the State that this provision could cause Hawaii's apprenticeship law to be out of conformity with the Office of Apprenticeship Training, Employer and Labor Services' (OATELS) standards. It "would constitute grounds for OATELS to withdraw Hawaii's authority, as a recognized State Apprenticeship Council (SAC), to register apprenticeship programs for Federal purposes," because there is no basis in federal law for comparing new parallel programs to an existing program and "would improperly restrict apprenticeship opportunities by favoring incumbents over new entrants."

STATEMENT OF OBJECTIONS  
SENATE BILL NO. 1889  
Page 2

This bill is also objectionable because it shifts the responsibility to approve apprenticeship programs from the Director of Labor and Industrial Relations to the Apprenticeship Council, a group that has served in an advisory capacity to the Director for many years. There has been no demonstrated need to change the Apprenticeship Council's advisory role. The Apprenticeship Council is composed of individuals familiar with apprenticeable occupations, representing employer and employee organizations. Performance of their duties as members of the Apprenticeship Council that had decision-making authority could result in conflicts of interest. Keeping the Director of Labor and Industrial Relations, who has no vested interest in a given apprenticeship program, in the decision-making role minimizes the potential conflict.

For the foregoing reasons, I am returning Senate Bill No. 1889 without my approval.

Respectfully,

LINDA LINGLE  
Governor of Hawaii